

ORIGINAL



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION

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Gina McCarthy
 Commissioner

October 5, 2006

Bruce W. Neely, Esq.
 LeBoeuf, Lamb, Greene & MacRae LLP
 1875 Connecticut Ave., NW
 Suite 1200
 Washington, DC 20009-5728

RE: CZMA Consistency, Broadwater Energy
 FERC Docket No. CP06-54 et seq.

Dear Mr. Neely:

As you know, I have requested on two previous occasions—February 28, 2006 and June 30, 2006—that Broadwater Energy, LLC and Broadwater Pipeline, LLC, as applicants for listed federal permits under Connecticut's federally-approved Coastal Management Program, submit a Connecticut consistency certification pursuant to 15 CFR 930.57 of the federal Coastal Zone Management Act (CZMA) regulations. Copies of those letters are enclosed for your information.

On September 21, 2006 this Department received a copy of the U.S. Coast Guard's Waterway Suitability Report, an assessment of safety and security issues concerning the proposed Broadwater liquefied natural gas (LNG) facility in Long Island Sound. That report concluded that the Sound would be suitable to host the Broadwater facility provided certain mitigation measures were undertaken. Such measures include a fixed security zone around the facility with a radius of 1210 yards, approximately 200 yards of which would extend into Connecticut waters, and a moving security zone around LNG tankers transiting to and from the facility, which also could extend into Connecticut waters depending on actual vessel movements. The fixed security zone would be demarcated with buoys and patrolled by security personnel employed by Broadwater, creating a distinct and tangible presence in Connecticut waters that will necessarily affect Connecticut's coastal resources and uses by constraining activities such as commercial and recreational fishing, navigation and boating.

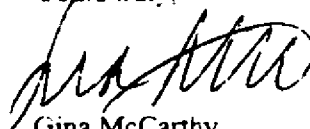
Because the Coast Guard's report has now officially confirmed that part of the Broadwater project will take place in Connecticut's coastal zone, the Broadwater application to the Federal Energy Regulatory Commission (FERC) is subject to the provisions of 930 CFR Subpart D concerning CZMA Consistency for Activities Requiring a Federal License or Permit. FERC's approval of LNG facilities pursuant to the Federal Power Act, the Energy Reorganization Act of 1974, and the Natural Gas Act is a listed federal license or permit under Connecticut's federally-approved coastal zone management program. FERC, in turn, cannot issue a license to Broadwater without incorporating the Coast Guard's safety and security recommendations, including the security zones in Connecticut.

Accordingly, I respectfully reiterate our request that Broadwater Energy, LLC and Broadwater Pipeline, LLC, as applicants for listed federal permits under Connecticut's CZM plan, submit a Connecticut consistency certification pursuant to 15 CFR 930.57. With the certification, please submit all information specified in 15 CFR 930.58, including a complete copy of Broadwater's application in both

written and electronic form. Once we have received all of this material, the six-month review period established by 15 CFR 930.62 will commence.

Please note that this letter constitutes the third time I have asked Broadwater for a coastal consistency certification as required by federal law. If we continue to receive no response, the State of Connecticut will vigorously pursue all available legal remedies necessary to fulfill our responsibilities under the Coastal Zone Management Act to protect the State's interests in the vital natural resources and uses of Long Island Sound. If you have any questions concerning this matter or any other coastal management issue, please contact Brian Thompson, Director of the Department's Office of Long Island Sound Programs at (860) 424-3034. Thank you.

Yours truly,



Gina McCarthy
Commissioner

GM/db

Enclosures

cc: Governor M. Jodi Roll
Connecticut Congressional Delegation
Magalie R. Salas, FERC
FERC Gas Branch 3, DG2F
David M. Kennedy, NOAA OCRM
David Kaiser, NOAA OCRM
U.S. Army Corps of Engineers
Captain Peter Boynton, COTP Long Island Sound, USCG
Randy Daniels, New York Secretary of State
George Stafford, New York CDM
Senator Bill Finch, Co-Chair, Environment Committee
Representative Richard Roy, Co Chair, Environment Committee
Senator Len Fasano, Chair, Long Island Sound LNG Task Force
Attorney General Richard Blumenthal
Sharon Scully, Assistant Attorney General
David Wrinn, Assistant Attorney General
Brian Thompson, OGISP